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IN THE

Supreme Court of the United States

OCTOBER TERM, 1941

FRED FISHER MUSIC Co. INC. and GEORGE GRAFF, JR.,

Petitioners,

against

M. WITMARK & SONS,

Respondent.

**PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES CIRCUIT COURT OF APPEALS
FOR THE SECOND CIRCUIT AND BRIEF
IN SUPPORT THEREOF**

**ARTHUR GARFIELD HAYS,
Solicitor for Petitioners.**

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TO THE HONORABLE, THE CHIEF JUSTICE OF THE UNITED
STATES AND THE ASSOCIATE JUSTICES OF THE SUPREME
COURT OF THE UNITED STATES:

Your petitioners, Fred Fisher Music Co. Inc. and George
Graff, Jr., respectfully represent:

I

Summary Statement of Matter Involved.

This case involves the construction of the renewal provisions of the Copyright Act of 1909 (17 U. S. C. A., Section 23). As stated by Judge Clark, writing for the majority in the Circuit Court of Appeals (R. 95, 125 Fed. (2d) 948):

"We are presented with a question of statutory construction, which has apparently never arisen before, though the general statutory provision has existed for over a hundred years. Simply stated, the problem is whether or not a copyright holder may assign his ex-

pectancy of the renewal right which arises under 17 U. S. C. A. § 23 at the expiration of the original twenty-eight year copyright grant."

The subject matter of the suit is the ownership of the author Graff's interest in the renewal copyright to the song "WHEN IRISH EYES ARE SMILING", which was originally copyrighted in 1912 and which became available for renewal in 1939.

The respondent claims ownership under an agreement made in 1917, twenty-two years before the renewal could be obtained or applied for, and also under an agreement made in 1910, two years before the song was written.

Petitioners contend that since Section 23 of the Copyright Law (17 U. S. C. A.) created the renewal term and limited the right to apply for it to the author or his family for the purpose of protecting them against an improvident disposition of the renewal copyright prior to its accrual, the assignments under which respondent claims are void and unenforceable.

The majority of the Circuit Court of Appeals (Judges Clark and A. N. Hand) sustained the validity of the anticipatory assignment; Judge Frank dissented.

The Facts

1. In 1912, the petitioner Graff, in collaboration with Ernest R. Ball and Chauncey Olcott, wrote the song "WHEN IRISH EYES ARE SMILING" (R. 23, 60).

2. It was published and copyrighted by the respondent on August 12, 1912 (R. 40-41).

3. Two years prior thereto, on July 1, 1910, Graff had agreed to sell to the respondent, on a royalty basis, all songs written by him during the next succeeding five years, with renewals and with right to copyright and renew (Exh. B, R. 36-40).

4. In 1917, Graff, who was then in financial straits, entered into an agreement with the respondent, whereby he released to the respondent all his right, title, interest and royalties in sixty-nine songs, including "WHEN IRISH EYES ARE SMILING", for the sum of \$1,600.00 (R. 60; Exh. D, R. 41-45)—an average price of approximately \$23 per song. This agreement purported to sell to the respondent, in addition to the royalties still to accrue on the songs, the renewals of copyright thereon. It provided (R. 44):

"And I do, for myself, my heirs, executors, administrators and next of kin, hereby irrevocably authorize and appoint the Publisher, its successor, successors and assigns, my attorneys and representatives, in my name or in the names of my heirs, executors, administrators and next of kin, or in its own names to take and do such actions, deeds and things, and make, sign execute and acknowledge all such documents as may from time to time be necessary to secure to the Publisher, its successor, successors and assigns, the renewals and extensions of the copyrights in said compositions and all rights therein for the terms of such renewals and extensions. And I agree, for myself and for my heirs, executors, administrators and next of kin, upon the expiration of the first term of any copyright in said compositions, in this or in any other country, to duly make, execute, acknowledge and deliver or to procure the due execution, acknowledgment and delivery to the Publisher, its successor, successors or assigns, of all papers necessary in order to secure to it the renewals and extensions of all copyrights in said compositions and all rights therein for the terms of such renewals and extensions."

5. Under Section 23 of the Copyright Act, the time for filing an application for the renewal copyright to the song "WHEN IRISH EYES ARE SMILING" commenced on August 12, 1939, the beginning of the twenty-eighth year of the first term of copyright.

6. On August 12, 1939, the respondent applied for and registered the renewal copyright in the names of the petitioner, Graff and Mrs. Olcott (the widow of Chauncey

Olcott, who had died prior to August 11, 1939) (R. 8, 26, 46, 47).

7. That same day, the respondent, as Graff's attorney in fact under the 1917 agreement, assigned to itself Graff's interest in the renewal copyright (Exh. F, R. 47-48). (Mrs. Olcott assigned her interest to the respondent on August 28, 1939 (Exh. G, R. 49). The validity of her renewal and her assignment is not in dispute.)

8. Petitioner Graff himself applied for the renewal on August 23, 1939, and, after registering it in his own name (R. 27; Exh. H, R. 50), assigned his interest to the petitioner Fred Fisher Music Co. Inc. (Exh. I, R. 51).

9. Mrs. Ball, as the widow of Ernest R. Ball, who had died prior to August 11, 1939, applied for and registered the renewal copyright in her name on November 15, 1939 (Exh. J, R. 26, 51), and assigned her interest to the defendant Mills Music, Inc. on July 8, 1940 (Exh. J, R. 52-55). (As in the case of Mrs. Olcott, the validity of Mrs. Ball's renewal copyright and her assignment to Mills Music, Inc. is not in question in this proceeding.)

10. The respondent, claiming the ownership of the renewal copyright, commenced an action for infringement against the petitioners, Graff and Fred Fisher Music, Inc., and Mills Music, Inc. (R. 21-31).

11. Simultaneously with the commencement of the action, the respondent moved for an injunction pendente lite against the petitioners, Graff and Fred Fisher Music Co. Inc. (R. 2-4). However, no preliminary injunction was sought against the defendant Mills Music, Inc., it being stated that this defendant did not threaten immediate publication of the song (R. 4).

12. The motion for temporary injunction against petitioners was granted by the United States District Court for the Southern District of New York and the petitioners were, during the pendency of the action, enjoined from

printing, publishing, copying or vending the song "WHEN IRISH EYES ARE SMILING" or licensing the use thereof, or asserting any claim or interest in the renewal copyright thereof (R. 81-82, 92). District Judge Conger's opinion appears at pages 83-91 of the record and is reported in 38 Fed. Supp. 72.

13. The interlocutory decree was affirmed by the United States Circuit Court for the Second Circuit, Judge Frank dissenting with opinion. Judge Clark's majority opinion appears at pages 95 to 105 of the record. Judge Frank's at pages 105 to 135; both opinions are reported in 125 Fed. (2d) 949, 954.

II

Statement of Jurisdiction.

The jurisdiction of this Court is invoked under the provisions of Section 240(a) of the Judicial Code, as amended by the Act of February 13, 1925 (28 U. S. C. § 347(a)).

III

Question Presented.

The sole question is whether, in view of the limitations contained in Section 23 of the Copyright Law, particularly when read in the light of the Congressional intent expressed at the time of its enactment, an agreement to assign his renewal, made by an author in advance of the twenty-eighth year of the original term of copyright, is valid and enforceable.

IV

Statute Involved.

Section 23 of the Copyright Law (17 U. S. C. § 23) reads as follows:

"Duration; renewal. The copyright secured by this title shall endure for twenty-eight years from the date of first publication, whether the copyrighted work bears the author's true name or is published anonymously or under an assumed name: *Provided,* That in the case of any posthumous work or of any periodical, encyclopedic, or other composite work upon which the copyright was originally secured by the proprietor thereof, or of any work copyrighted by a corporate body (otherwise than as assignee or licensee of the individual author) or by an employer for whom such work is made for hire, the proprietor of such copyright shall be entitled to a renewal and extension of the copyright in such work for the further term of twenty-eight years when application for such renewal and extension shall have been made to the copyright office and duly registered therein within one year prior to the expiration of the original term of copyright; *And provided further,* That in the case of any other copyrighted work, including a contribution by an individual author to a periodical or to a cyclopedic or other composite work when such contribution has been separately registered,* the author of such work, if still living, or the widow, widower, or children of the author, if the author be not living, or if such author, widow, widower, or children be not living, then the author's executors, or in the absence of a will, his next of kin shall be entitled to a renewal and extension of the copyright in such work for a further term of twenty-eight years when application for such renewal and extension shall have been made to the copyright office and duly registered therein within one year prior to the expiration of the original term of copyright; *And provided further,* That in default of the registration of such application for renewal and extension, the copyright in any work shall determine at the expiration of twenty-eight years from first publication. (Mar. 4, 1909, c. 320, § 23, 35 Stat. 1080.)"

* The clause "when such contribution has been separately registered" was deleted by Act of March 15, 1940, c. 57, § 4 Stat. 51. Otherwise, the Section has remained unchanged since 1909.

V

Reasons for Granting the Writ.

The United States Circuit Court of Appeals for the Second Circuit has decided an important question of Federal law which has not been, but should be, settled by the Supreme Court of the United States. The unsettled state of the law is indicated by both the majority opinion of Judge Clark and by the dissent of Judge Frank.

A definitive determination of this question is of the utmost importance to authors, to publishers and to users of copyrighted material. Affected by this question are the rights to the renewals of the vast number of copyrights to books, plays, musical compositions and to other literary and artistic material not coming within the limited exceptions contained in the first proviso to Section 23 of the Copyright Law.

The decision of the Circuit Court of Appeals on this important question is, we submit, untenable and contrary to the Copyright Act of 1909.

VI

Finality of Proceeding.

The petitioners are aware that ordinarily this Court will not review an interlocutory decree. However, in the instant case, the sole issue presented is one of statutory construction. The facts upon which this question is presented are not in dispute and are based upon documents, the execution of which is admitted. Should this writ be granted and the question of law determined in accordance with the petitioners' contentions, the practical effect will be a final determination of the action adverse to the respondent. Since the legal basis underlying its cause of action will have been destroyed, nothing will then remain but the formal dismissal of the complaint. Under these circumstances, we respectfully submit, a writ may issue.

Waialua Agricultural Co. v. Christian et al., 305 U. S. 91;

Prudence Co. v. Fidelity Co., 297 U. S. 198, 205;

Stringfellow v. Atlantic Coast Line R. Co., 290 U. S. 322;

United States v. Gulf Ref. Co., 268 U. S. 542.

Moreover, the decision in the instant case has already provided a precedent for the determination of other cases in the District Court for the Southern District of New York and in the Supreme Court of New York State.

Scheyn & Co., Inc. v. Veiller, 43 F. Supp. 491;

G. Schirmer, Inc. v. Robbins Music Corp. et al., 176 Misc. 578, 28 N. Y. Supp. (2d) 699;

Rossiter v. Vogel, U. S. D. C., So. Dist. of N. Y., June 30, 1942, not yet reported.

If, as we urge, the rule announced by the Circuit Court of Appeals is erroneous, undue prejudice may result from reliance thereon unless the law is settled by this Court.

WHEREFORE, petitioners pray that a writ of certiorari may issue out of and under the will of this Court, directed to the United States Circuit Court of Appeals for the Second Circuit, commanding the said Court to certify and send to this Court for review and determination, as provided by law, this cause and a complete transcript of the record and of all proceedings had herein; and that the order of the United States Circuit Court of Appeals affirming the interlocutory judgment in this cause may be reversed and that the petitioners may have such other and further relief in the premises as this Court may deem proper.

Dated, August 18th, 1942.

GEO. GRAFF,

FRED FISHER MUSIC CO., INC.,

By ANNA FISHER, President,

Petitioners.

(Seal)

ARTHUR GARFIELD HAYS,

Solicitor for Petitioners.

State of New York)
County of New York) ss.:

GEORGE GRAFF, JR., being duly sworn, says:

I am one of the petitioners herein. I have read the foregoing petition by me subscribed and know the contents thereof. The facts therein stated are true to the best of my knowledge, information and belief.

GEO. GRAFF.

Sworn to before me this
18th day of August, 1942.

ELIAS MESSING, Notary Public
Bronx Co. Clk. No. 169, Reg. No. 177-M-43
N. Y. Co. Clk. No. 1007, Reg. No. 3-M-634
Kings Co. Clk. No. 121, Reg. No. 3412
Commission expires March 30, 1943

State of New York,)
County of New York,) ss.:

ANNA FISHER, being duly sworn, deposes and says:

That I am President of Fred Fisher Music Co., Inc., one of the petitioners herein. I have read the foregoing petition by me subscribed and know the contents thereof. The facts therein stated are true to the best of my knowledge, information and belief.

ANNA FISHER.

Sworn to before me this
19th day of August, 1942.

ROBERT BLAUSTEIN
Notary Public, Kings Co. No. 140, Reg. No. 4145
Cert. filed in N. Y. Co. No. 360, Reg. No. 4B186
Commission expires March 39, 1944

(Seal)

State of New York,)
County of New York,) ss. :

I hereby certify that I have examined the foregoing petition for a writ of certiorari and that in my opinion it is well founded and the cause is one in which the petition should be granted.

ARTHUR GARFIELD HAYS.

Sworn to before me this
18th day of August, 1942.

ELIAS MESSING, Notary Public
Bronx Co. Clk. No. 169, Reg. No. 177-M-43
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**BRIEF IN SUPPORT OF PETITION FOR
CERTIORARI**

Jurisdiction

The statement of jurisdiction is set forth in the foregoing petition.

Statement of the Case

The facts have been set forth in the foregoing petition.

Summary of Argument

POINT I

The limitation contained in Section 23 of the Copyright Law of 1909 restricting the renewal privilege to the author and his family was designed to prevent the alienation of the renewal copyright prior to the twenty-eighth year of the original term.

POINT II

The history of copyright legislation in the United States supports the view that the renewal privilege may not be alienated by anticipatory assignment.

POINT III

The case is one of first impression.

POINT I

The limitation contained in Section 23 of the Copyright Law of 1909 restricting the renewal privilege to the author and his family was designed to prevent the alienation of the renewal copyright prior to the twenty-eighth year of the original term.

Section 23 of the Copyright Law provides for a basic copyright term of twenty-eight years. Its first clause reads:

"The copyright secured by this title shall endure for twenty-eight years from the date of first publication, whether the copyrighted work bears the author's true name or is published anonymously or under an assumed name: * * *"

It then makes provision for renewal copyright for an additional term of twenty-eight years. In four categories of literary work, the proprietor under the statute becomes entitled to the renewal. They are (a) works published posthumously; (b) periodical, cyclopedic or other composite works on which copyright was originally secured by the proprietor; (c) works copyrighted by a corporation *otherwise than as assignee* or licensee of the individual author; and (d) works made for hire.

In all other cases, there is the limitation that only the author, if he be living, or his family, if he be dead, is entitled to the renewal. This portion of Section 23 reads:

"*And provided further*, That in the case of any other copyrighted work, including a contribution by an individual author to a periodical or to a cyclopedic or other composite work when such contribution has been separately registered, the author of such work, if still living, or the widow, widower, or children of the author, if the author be not living, or if such author, widow, widower, or children be not living, then the author's executors, or, in the absence of a will, his next of kin shall be entitled to a renewal and extension of the copyright in such work for a further term of twenty-eight years when application for such renewal and extension shall have been made to the copyright office and duly registered therein within one year prior to the expiration of the original term of copyright: *And provided further*, That in default of the registration of such application for renewal and extension, the copyright in any work shall determine at the expiration of twenty-eight years from first publication."

It will be observed that there is no provision made here which would entitle an assignee of the author, a proprietor or the author's administrators to the renewal. In this respect, it differs from the language of Section 8, of the same statute which, in referring to the original copyright, recites:

"The author or proprietor of any work made the subject of copyright by this title, *or his executors, administrators, or assigns*, shall have copyright for such work under the conditions and for the terms specified in this title * * *". (Italics ours.)

The exclusion of the assignee from the renewal privilege was not due to inadvertence, but constituted an integral part of the pattern by which Congress sought to preserve for the author and his family the economic benefits which might flow from the survival of a work beyond the original copyright term.

This purpose is explained in the report of the House Committee on Patents which recommended the bill (H. R.

2222, 60th Congress, 2nd Session, page 14). When the Copyright Law was in the course of revision in 1909, a proposal had been advanced that renewals be eliminated and that there be substituted a single term to extend for the life of the author and fifty years. In rejecting the change in pattern, the Committee said:

"Your committee, after full consideration, decided that it was distinctly to the advantage of the author to preserve the renewal period. It not infrequently happens that the author sells his copyright outright to a publisher for a comparatively small sum. If the work proves to be a great success and lives beyond the term of twenty-eight years, your committee felt that it should be the exclusive right of the author to take the renewal term, and the law should be framed as is the existing law, so that he could not be deprived of that right.

"The present term of twenty-eight years, with the right of renewal for fourteen years, in many cases is insufficient. The terms, taken together, ought to be long enough to give the author the exclusive right to his work for such a period that there would be no probability of its being taken away from him in his old age, when, perhaps, he needs it the most."

Based upon this pattern, it is now settled that this renewal copyright is a new grant not stemming from ownership of the original copyright, that an assignee of the author may not apply for the renewal and that the application therefor must be filed by the persons named in the statute, in the order of their designation.

28 Opinions of Attorneys General, 162;

Fox Film Corp. v. Knowles, 261 U. S. 326;

White-Smith Music Publishing Co. v. Goff, 187 Fed. 247;

Silverman v. Sunrise Pictures Corp., 273 Fed. 909, cert. denied 262 U. S. 758;

Danks v. Gordon, 272 Fed. 821;

Harris v. Coca-Cola Co., 73 Fed. (2d) 370;

Yardley v. Houghton Mifflin Co. Inc., 108 Fed. (2d) 28, 32.

Moreover, it will not be disputed that no act on the part of the author, if he fails to survive, can have the effect of defeating the right to the renewal accorded by the statute to the widow, children and other persons named. Judge Clark, writing for the majority in the Court below, said (125 Fed. (2d) 949, at 950, R. 97):

"It is also apparent that the assignment here would not have cut off the rights of renewal extended to the widow, children, executors, or next of kin, in the event of Graff's death prior to the renewal period. See *Fox Film Corp. v. Knowles*, 261 U. S. 326."

The point of divergence in the Court below was the extent to which the statute provided a safeguard to the author himself against his own improvident act.

As to this, the majority of the Court reached the conclusion that despite the limitations written into the statute, and despite the purpose expressed in the report of the Patent Committee, the intent to make the renewal inalienable by anticipatory assignment had not been expressed with sufficient clarity to effect that purpose. Stress was laid upon the absence of language specifically providing that an attempted anticipatory assignment would be void and of no effect."

The Committee's report and the purpose of the statute will be referred to later. At this juncture, we submit that undue weight was given to the absence of prohibitory language in the statute. If, as we contend, it was the purpose of Congress to reserve to the author a renewal right which could not be alienated in advance of its accrual, the limitation contained in the Act to the effect that the author shall be entitled to the renewal if living, is sufficient to accomplish that purpose.

The courts will effectuate the policy of a statute by holding unenforceable contracts in contravention thereof, although the statute itself contains no express prohibitions.

Restatement of the Law of Contracts, Sections 512, 580, 2(e), Illustration of Clause (e).

In this respect, the case comes within the principle applied by this Court in *Avotin v. Atlas Exchange Bank*, 295 U. S. 209, which concerned the validity of an agreement by a national bank to repurchase securities previously sold to a customer. The Act provided "That the business of buying and selling investment securities shall hereafter be limited to buying and selling without recourse marketable obligations evidencing indebtedness of any person * * * or corporation, in the form of bonds, notes and/or debentures, commonly known as investment securities."

The contract was held invalid as coming "within the broad sweep of the statute which by mandatory language sets up definite limits upon the liability which may be incurred by a national bank * * * (p. 211)."

In *Kneettle v. Newcomb*, 22 N. Y. 249, the New York Court of Appeals held unenforceable an agreement by which a debtor had purported to waive and relinquish his statutory right of exemption of property from execution, although there was no provision in the statute expressly invalidating such agreements. It said, at pages 251-252:

"By the statutes exempting certain property, the legislature in effect determined that it was inexpedient to allow contracts entailing such results; and this was done by providing that certain property, of limited value, should not be taken. Parties cannot now stipulate that their contracts shall have the same effect as under the former law, for that would be hostile to the policy thus established."

See also:

Bunker v. Coons (Utah), 60 Pac. 549;

Meyer Bros. Drug Co. v. Bybee (Mo.), 78 S. W. 579;

Green v. Watson, 75 Ga. 471;

Mills v. Bennett (Tenn.), 30 S. W. 748.

Regarding the Congressional Report, the majority said:

"We are perfectly willing to uphold a Congressional declaration that public policy forbids assignment of a copyright renewal; but we expect something more than ambiguous inferences drawn from a committee report explicitly arguing only for continuance of an existing statutory scheme with a new renewal period" (125 Fed. (2d) 949, 954, R. 104).

Judge Frank, dissenting, reasoned:

"The Committees almost literally described the facts of the instant case: Graff sold outright his original term for a small sum. His turned out to be one 'of the comparatively few cases where the work survives the original term.' It was to meet just such a contingency, the Committees said, that Congress gave 'the author the exclusive right' to 'an adequate renewal term' so that he could, in such a case, 'reap the reward' in his old age. We should see to it, that, as Congress intended, the 'right of the author to take the renewal term' is so hedged about that he can *'not be deprived of that right'* by having it *'taken away from him in his old age when he needs it the most.'*

"I find it difficult to regard those expressions of the Committees as mere idle talk, or as so ambiguous that we can laugh them off * * *" (125 Fed. (2d) 949, 958, R. 113). (Italics quoted from the record.)

With all deference to the majority in the Court below, we urge that the Committee's report has been read much too narrowly. In the course of the argument for the continuance of the statutory scheme, the Committee stated the purpose of the renewal and the reason for its retention. The report refers not to the necessity of protecting the author's widow and children, but to the desirability of safeguarding the author himself, particularly in his old age.

When the Committee wrote that "it should be the *exclusive* right of the author to take the renewal term, and the law should be framed as is the existing law, so that he could not be deprived of that right", it obviously had in

mind something more than the mere power of an author to withhold from a purchaser some interest in the copyright. Had the renewal been treated merely as an expectancy, subject to conveyance or retention as the author chose, there would be no purpose in the reference to the "exclusive right" of the author to take the renewal term, or the possibility that he might be deprived of it. Concession must be made to the Congressional knowledge that an assignee could acquire the renewal only if the author chose to convey it and would have no interest in the renewal if the author elected to retain it. The use of the expression "deprive" can refer logically only to a relinquishment by the author's act, occasioned by his own improvidence.

The Committee was not dealing in a vacuum. It was interested in the practical consequences of retaining the pattern of a renewal copyright. It sought to forestall disposition by the author of his entire interest in the copyrighted work until time had established its worth. It is difficult to see how this purpose is achieved by construing the statute to permit the author to include in the sale for the same pittance the renewal as well as the original term. The renewal privilege was accordingly limited so that the author, despite himself, might have the "exclusive right" and therefore a new opportunity to bargain for the exploitation of his work at the end of twenty-eight years and to derive whatever financial benefit might accrue from the fact that his property was sufficiently meritorious to have a monetary value after that length of time.

Construed as it has been in the Court below, the limitations of Section 23 are relegated to mere administrative formalities. The inability to make a present assignment is considered only from a functional viewpoint because the interest has no present existence and, as though no public policy created a barrier. To say that the renewal may be alienated through the device of an agreement to assign, or, as in this case, an agreement fortified by the appointment of

the assignee as attorney-in-fact to file the application and to make the assignment to itself, retains merely the form of not depriving the author of his exclusive right to the renewal, but frustrates the attempt to provide for the author a benefit having actual economic substance.

The suggestion that authors and their widows ought not be deprived of the opportunity to realize money by anticipating upon the statutory renewal, contemplates a highly illusory benefit. Congress certainly did not intend to subject an author and his family to the hazard of improvident sales. Yet, that is the very consequence which results from the interpretation given to the statute. Were the renewal wholly alienable, an author or his widow might sell it for an amount commensurate with the value of the literary property. There is, however, no way in which an author can convey a full and complete title to the renewal prior to the twenty-eighth year. If he be permitted to anticipate on his renewal, what he can sell is at most the expectancy based on survival. No purchaser could logically be expected to pay full value for property which he may never receive. If the wife be joined in the conveyance, the title is still not complete, since if she fails to survive the right of renewal will pass unimpaired to the children. Efforts to join the children in the sale present questions of infancy and of the possibility of the birth of additional children. (As to a suggestion that the widow and children would not be bound by their joining in the contract, since this would be against the policy of the Act, see Howell, *The Copyright Law* (1942) p. 109.) Consequently, the shield erected for the necessitous author becomes a weapon to diminish or completely destroy his bargaining power.

On the other hand, if the statute be construed to prohibit anticipatory assignments, the limitations which it provides and the announced purpose of Congress become consistent. In the twenty-eighth year, the author, if he be alive, or his widow or children, if he be dead, can convey

a full marketable title to the property. What they receive in return is not diluted by the hazards of non-survival. This, we submit, is what the Committee had in mind and was the meaning intended by the limitations enacted into the statute.

True, by this construction, the author is deprived of a right to sell his renewal before the twenty-eighth year arrives. By the same token, individuals are deprived of the right to pay usurious rates of interest, or to waive homestead and other statutory exemptions in order to borrow money. A beneficiary of a trust is often deprived of his right to assign his income (*Stringer v. Young*, 191 N. Y. 157). Employees are deprived of their right to work for less than minimum wages or to work overtime without statutory compensation. These examples might be expanded indefinitely and the considerations in all the instances are of like character. The law often limits the individual's freedom of action in the interests of the broader public policy to be served. If, as must be conceded in the instant case, Congress has the power to impose the limitation, the wisdom or folly of the restriction is a matter only of legislative concern.

Dillingham v. McLaughlin, 264 U. S. 370, at 374.

POINT II

The history of copyright legislation in the United States supports the view that the renewal privilege may not be alienated by anticipatory assignment.

In the first point of this brief our argument was addressed to the limitation contained in Section 23 of the Copyright Law of 1909 and its construction, particularly in the light of the report of the Patents Committee. The Committee in its report refers to the existing law, which

we submit did not by the statutory provisions after 1831 permit anticipatory alienation of the renewal copyright.

An examination of the history of copyright legislation in the United States reveals that under the first federal copyright statute enacted in 1790, an assignee, by express provision, not only could acquire the author's interest in the renewal, but was entitled to perfect that renewal in his own right. The statute (1 Stat. at L. 124) provided that:

"* * * if, at the expiration of the said term, the author or authors, * * * be living, * * * the same exclusive right shall be continued to him or them, his or their executors, administrators or assigns, for the further term of fourteen years: Provided, *he or they* shall cause the title thereof to be a second time recorded and published * * * within six months before the expiration of the first term of fourteen years aforesaid." (Italics ours.)

When, however, the Act was amended in 1831, reference to the assignee was eliminated and the right limited to the author and his family (4 Stat. at L. 436, Sec. 2):

"That if, at the expiration of the aforesaid term of years, such author, * * * be still living, and a citizen * * * of the United States, or resident therein, or being dead, shall have left a widow, or child, or children, either or all then living, the same exclusive right shall be continued *to such author*, * * * or, if dead, *then to such widow and child, or children*, for the further term of fourteen years." (Italics ours.)

Concerning this change in the form of the statute, Judge Putnam, writing for the Court in *White-Smith Music Pub. Co. v. Goff*, 187 Fed. 247, said (p. 250):

"Here, then, was an entirely new policy, completely dissevering the title, breaking up the continuance in a proper sense of the word, whatever terms might be used, and vesting an absolutely new title *eo nomine* in the persons designated."

The copyright statutes of 1870 (16 Stat. at L. 212, 213) and 1891 (26 Stat. at L. 1107) continued the policy of the 1831 Act in its departure from the law of 1790. Section 88 of the Act of 1870 makes it clear that the application for renewal must be filed in the name of the author, his widow or his children, and that the obligation rests upon them to publish notices thereof. It provides:

"* * * that the author * * * if he be still living * * * or his widow or children, if he be dead, shall have the same exclusive right continued for the further term of fourteen years, upon recording the title of the work * * *. And *such person* shall, within two months from the date of said renewal, cause a copy of the record thereof to be published in one or more newspapers * * *." (Italics ours.)

The amendment of 1891 (26 Stat. at L. 1107) contains the same provision, but eliminates a requirement that the author be a citizen or resident of the United States.

It is difficult to explain the change in the pattern of the copyright law and the elimination of the assignee from the category of persons entitled to take the renewal unless it be integrated with a public policy to prevent an anticipatory alienation by the author. The suggestion that this change may have come about only to prevent the author from disposing of the right extended to his widow and his children, if he himself failed to survive, does not account for various factors of the statute. There is, for instance, no machinery provided by which an assignee of an author may perfect his right to the renewal by filing an application in his own name, if the author be living. Under the Statute of 1790, an assignment of the renewal was permitted and the assignee was given the privilege of recording it in his own name. Since 1831, however, the assignee has been denied that privilege, and the statute has accordingly provided no machinery by which an application for renewal may be filed by him. It seems strange that Con-

gress should have destroyed this machinery unless it intended to reserve to the author the "exclusive right" to both the legal and the beneficial ownership of the renewal.

The suggestion also fails to account for a similar exclusion of an assignee in an earlier portion of Section 23 of the 1909 Act. It will be remembered that in the category of works to which a proprietor of the copyright is entitled to renewal are those originally "copyrighted by a corporate body, *otherwise than as assignee* or licensee of the individual author." The statute makes no distinction between the effect of the assignment if the author survives and its effect when the author fails to live for twenty-eight years. In neither case may the corporate body originally copyrighting the work take the renewal in its own right under the statute. There could have been no purpose in excluding the corporate assignee entirely, if the intention had been to permit anticipatory assignments dependent solely on the author's survival. The logical provision would have been to have excluded the corporate body only if the author were not living.

In conclusion on this point, we respectfully urge that the majority in the court below misconceived the purpose which led to the change in the renewal structure in 1831 and which has continued to the present day. The careful distinction made by Congress between those categories of works in which the proprietor is entitled to the renewal, and those in which the author has the exclusive right, the limitations upon the right to apply for the renewal, the explanation of its purpose by the Congressional Committee, all present a uniform design. They point to the intention to create the renewal as a privilege personal to the author, to which he has the "exclusive right" in the twenty-eighth year, and one which by the policy enacted in the statute, he may not dissipate. The renewal is inalienable not because it is an expectancy, but because Congress chose to treat the author as though he were the beneficiary of a spendthrift trust.

POINT III

The case is one of first impression.

The present case is the first under the Copyright Law of 1909 to pass directly upon the obligation of a surviving author to assign his renewal pursuant to an anticipatory agreement. The question remained unadjudicated under the various statutes enacted in and after the year 1831. Three early cases, *Paige v. Banks*, 80 U. S. (13 Wall.) 608, *Cowen v. Banks*, 24 How. Pr. 72 and *Pierpont v. Fowle*, 2 Woodb. & M. 23, 19 Fed. Cas. 652, are however sometimes referred to as authority that such an assignment is valid.

Although these cases were decided after 1831, they actually determined rights already vested in the assignee under the Act of 1790, which by its terms expressly permitted an anticipatory assignment of the renewal.

In *Paige v. Banks*, the assignment of the author's right, title and interest had been made in 1828. In *Pierpont v. Fowle*, the agreements had been made on July 21, 1823 and on July 12, 1827, respectively. In *Cowen v. Banks*, the assignee's rights had likewise vested before the enactment of the Copyright Law of 1831.

As authority for this distinction, we have the statement of Judge Putnam in *White-Smith Music Pub. Co. v. Goff*, 187 Fed. 247, at 253:

"On examining *Paige v. Banks*, as reported in 13 Wall., it appears at page 609 (20 L. Ed. 709) that the contract on which the publisher relied was made in 1828, when the act of 1790 was in force, and when no rule of public policy such as we have explained existed or had been declared."

See also:

28 Ops. Atty Gen. 162, at 168.

Another case sometimes referred to as justification for enforcing these contracts is *Carnan v. Bowles*, 2 Bro. C. C.

80, which was decided in 1786 and construed an early English statute, 8 Anne c. 19. That Act was there considered as providing a reversion by way of recapture in favor of the author at the end of fourteen years. The second fourteen year period of copyright, contingent upon the author's survival, was not considered to be a new grant, but the "return" of a portion of a larger grant.

In this respect, the entire concept of the English law was different from that which underlies Section 23 of the Copyright Law of 1909 and its predecessors since 1831. It is well settled that the renewal is under our statute a new grant not dependent on ownership of the original copyright.

For Film Corp. v. Knowles, 261 U. S. 326;

White Smith Music Publishing Co. v. Goff, 187 Fed. 247.

The danger of arguing from the English cases is demonstrated by the difference in the development of the English Copyright Law as compared to that of the United States. Although the Statute of Anne had contained no reference to assignees, the amendment adopted in 1814 made specific provision for them. The Statute (54 George III, c. 156, p. 817) provided (§ IV, p. 820):

"from and after the passing of this Act, the author * * * and his assignee or assigns, shall have the sole liberty of printing and reprinting such book or books, for the full term of twenty-eight years, * * * and also, if the author shall be living at the end of that period, for the residue of his natural life." (Italics ours.)

The law in this country, as we demonstrated in Point II of this brief, took an opposite course. The Statute of 1790, by its express language, entitled the assignee of an author to take the renewal. The revision of 1831, in contrast to the earlier Act and to the development in the English law, excluded the assignee and limited the right of renewal to the author and his family.

The writings of the text books on Copyright Law present a confusing picture. In deference to the supposed authority of the earlier decisions, and with little regard to the policy which led to the change in the statute, statements are made that an agreement by an author to assign his renewal will be enforced.

Some of the more recent writers have, however (by the manner of their statement) indicated their mental disquiet over the apparent incongruity between this doctrine and the Congressional intent. Weil (*Copyright Law*, 1917) says (pp. 305, 306):

"If the author be living when a copyright expires, *he may, it seems, be compelled, in a proper case, to assign the renewal copyright to the proprietor of the original copyright, if the contract between them so provided.*" (Italics ours.)

See also:

Boeker: Copyright, Its History and Its Law, 1912, page 117;

De Wolf: Outline of Copyright Law, 1925, page 66.

Mr. Howell (*The Copyright Law*, 1912), formerly Assistant Register of Copyrights, after referring to the present case, hastens to add at page 109:

"The renewal right being personal to the author, it is doubtful whether, in the event of his dying before the statutory year arrives, the widow or children could be bound by having joined in any such contract. This would plainly be contrary to the general policy of the Act, and enable the author to accomplish indirectly what he is not permitted to do directly."

It would seem that this reasoning should apply with equal force to an attempted assignment by the author of his interest in the renewal.

Among the earlier writers, MacGillivray (*The Law of Copyright*, 1902), saw the necessity of resolving the conflict, and found what seemed to him a logical solution by

destroying the renewal entirely, if the beneficial ownership of the literary work no longer remained in the author. He reasoned (p. 268) :

"If the author of an unpublished work conveys all right, title, and interest in it to another, he certainly cannot take out an extended term to run against his grantee. It seems doubtful whether he can take it out at all. Certainly his grantee cannot, and probably the author could not for his benefit."

For a similar suggestion, see Bowker, *Copyright, Its History and Its Law*, page 118.

Morgan (2, *The Law of Literature*, 1875, 227) proposed the solution of recourse to a court of equity, saying, that the assignee of a renewal is "entitled to be protected in it, in equity rather than according to any mere technical rule of law." It is surprising that a policy established by the Legislature should be considered as a mere technicality.

Of all the writers, Drone (*Copyright*, 1879) came out most squarely and argued that the author could in addition to divesting himself of his renewal privilege upon survival, defeat as well the interest in the renewal which extended under the statute to his widow and children. Mr. Drone's view was that an author who had parted with his entire interest in the work thereby conveyed the entire renewal privilege.

Drone on Copyright, pages 326, 327, 333.

He said (p. 327) :

"Their title is derived from him, and stands or falls with his. There must be a good foundation on which to rest their claim. If the author has parted with his absolute property in the work, and could not, if living, himself secure the copyright, it seems to be clear that his representatives are equally incapable of securing it, for the reason that the work does not belong to them."

This position was predicated upon the reasoning that (p. 327):

"The provision under consideration was, doubtless, intended to secure to the author, and his family a privilege which is not given directly to an assignee; but it is not reasonable to suppose that the object of the statute was to reserve to the author or his family any rights with which he has voluntarily parted, and for which he has received and enjoyed the consideration." (Italics ours.)

Drone's concept of the nature of the renewal right, and of the protection intended to be afforded by Congress has been rejected by the courts and is negatived by the Committee's report, when the law was later revised in 1909. At least to the extent of the widow and children, the majority in the Court below were of the opinion that the author's conveyance would not have cut off the rights granted to Graff's widow, children, etc. (125 Fed. (2d) 949, at 950, R. 97).

See also:

Marchetti: Law of the Stage, Screen and Radio, 1936, 67;

Curtis: The Law of Copyright, 1847, 235;

2 Ladas: The International Protection of Literary and Artistic Property, 1938, 773;

Wittenberg: Literary Property 1937, 45;

Frohlich & Schwartz: The Law of Motion Pictures 1918, 549;

Amdur: Copyright Law and Practice 1936, 532, 538, 540-541.

Reference was made in the Court below to an opinion of the Attorney General issued in 1910 (28 Ops. Atty. Gen. 162) ruling that the statute did not authorize the filing of applications by assignees. While in the course of his opinion, the Attorney General made the observation that rights in the renewal might be the subject of a valid contract

which would carry the equitable, if not legal, title, he pointed out at pp. 169, 170:

"It is not intended in this opinion to determine any question of law which relates to the relative rights of authors and their assigns, and such rights are mentioned only by way of illustration or argument."

There is likewise a reference to *Tobani v. Carl Fischer, Inc.*, 98 Fed. (2d) 57, cert. denied 305 U. S. 650, where, in a dictum, Judge Manton stated that an author might divest himself of his renewal by parting absolutely with his entire interest in the work, or by agreement to convey the copyright for the renewal term. That statement was not, however, necessary to the decision since the claim of the publisher was that the works in question were made for hire, and that the proprietor was entitled to the renewal by the correlation of Sections 62 and 24 of the Copyright Law. Moreover, as Judge Frank indicated in his dissent below (R. 110), the force of the decision in the *Tobani* case was weakened by a later opinion—*Shapiro, Bernstein & Co. v. Bryn*, 123 Fed. (2d) 697, at 700.

We submit, that because of the uncertainty in the law, the question presented by this case, is one which deserves the consideration of this Court. Copyrights to works published since 1909, a most prolific era, are becoming more and more important for renewal purposes. Modern inventions, such as motion pictures, radio, television, and the like, have resulted in the revival of many types of literary works, particularly of plays and musical compositions.

We respectfully urge that the decision in the Court below was erroneous in that it fails to give effect to the intent of Congress which sought by the limitations in the statute to preserve to the author the exclusive right to the benefits and economic advantages which flow from the pattern of the statute. We believe that the Court below fell into the error of viewing the limitations in the statute as technical impediments, which might be overcome by in-

genious draftsmanship of contracts or by doctrines of specific performance in a court of equity.

Congress had a purpose when it revised the Copyright Law in 1831 and eliminated from the renewal benefits assignees of authors. The nature and intent of that purpose was given expression in the Committee Report of 1909 when a single term was rejected and when Congress likewise rejected a proposal which would have required that authors and publishers unite in the application for renewal where a publisher had made investments in plates. (Bowker: Copyright, Its History and Its Law, 117.)

To limit that purpose to the safeguarding only of widows and children of deceased authors, and to deprive the surviving author of protective barriers erected by Congress, seems to frustrate the very purpose which the Congressional Committee contemplated when reference was made to the benefits which would enure to the author by the retention of the renewal pattern.

Retaining the form of the statute by requiring application to be made by or in the name of the author, and dis regarding beneficial ownership, seems utterly inconsistent. Congress obviously intended the author have the tangible fruits of the renewal in the twenty-eighth year, not merely the empty privilege of having the application registered in his name.

Conclusion

We respectfully pray that the petition for certiorari be granted.

Respectfully submitted,

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